

County of - Alameda

RECORDATION NO. 20749 FILED

JUN 30 '97

4-00PM

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OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 20749-A, B FILED

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June 30, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of Memorandum of Lease Agreement, dated as of June 30, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents, together with two (2) copies of the following secondary documents related thereto: a Memorandum of Lease Agreement (a sublease), dated as of June 10, 1997, and a Memorandum of Assignment Agreement, dated as of June 30, 1997.

The names and addresses of the parties to the enclosed documents are:

Memorandum of Lease Agreement

Lessor: The CIT Group/Equipment Financing, Inc.
1211 Avenue of the Americas
New York, New York 10036

Lessee: JAIX Leasing Company
980 North Michigan Avenue, Suite 1000
Chicago, Illinois 60611

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JUN 30 3 58 PM '97

Mr. Vernon A. Williams
June 30, 1997
Page 2

A



Memorandum of Lease Agreement (Sublease)

Lessor: JAIX Leasing Company
980 North Michigan Avenue, Suite 1000
Chicago, Illinois 60611

Lessee: Southern Illinois Railcar Company
One Mark Twain Bank Plaza, Suite 225
Edwardsville, Illinois 62025

Memorandum of Assignment Agreement

Assignor: JAIX Leasing Company
980 North Michigan Avenue, Suite 1000
Chicago, Illinois 60611

Assignee: The CIT Group/Equipment Financing, Inc.
1211 Avenue of the Americas
New York, New York 10036

A description of the railroad equipment covered by the enclosed documents is:

Ninety-six (96) gondola railcars bearing reporting marks and road numbers SIRX 200000 through SIRX 200095, inclusive

Also enclosed is a check in the amount of \$72.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

JUN 30 '97 4-00PM

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement is made and entered into as of June 10, 1997, by and between JAIX Leasing Company, (hereinafter referred to as "Lessor") and Southern Illinois Railcar Company (hereinafter referred to as "Lessee", respecting that certain Railcar Equipment Lease, dated as of May 8, 1997 (the "Lease"), and Rider 1 thereto, dated as of May 8, 1997 ("Rider 1"), between Lessor and Lessee.

Pursuant to the provisions of the Lease and Rider 1, Lessor and Lessee hereby acknowledge and affirm that:

1. For good and valuable consideration, Lessor is leasing to Lessee and Lessee is leasing from Lessor ninety six (96) mill gondola cars marked SIRX 200000 - SIRX 200095, inclusive (the "Railcars").

2. The term of the Lease for any Railcar under Rider 1 shall commence on January 1, 1997 and shall terminate on December 31, 2001, provided that the Lease may be sooner terminated as provided therein.

3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement is not a summary of either the Lease or Rider 1 nor a complete recitation of the terms and provisions thereof. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement and the provisions of the Lease or Rider 1, the provisions of the Lease or Rider 1, as the case may be, shall control.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

LESSOR:

LESSEE:

JAIX LEASING COMPANY

SOUTHERN ILLINOIS RAILCAR
COMPANY

By: David W. Riesmeyer

Name: _____

Title: _____

David W. Riesmeyer
Treasurer
JAIX Leasing Company

By: Gary J. Goodman

Name: _____

Title: _____

GARY J. GOODMAN
VICE PRESIDENT

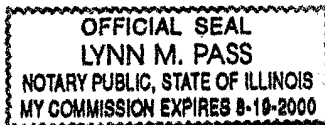
STATE OF ILLINOIS)
)
COUNTY OF COOK)

SS:

On this 17th day of June, 1997 before me personally appeared David W. Kuesmeyer, to me personally known, who being duly sworn, says that he is a Treasurer of JAIX LEASING COMPANY, a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Lynn M. Pass
Notary Public

[NOTARIAL SEAL]



My Commission Expires: 8-19-2000

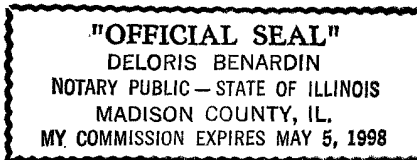
STATE OF ILLINOIS)
)
COUNTY OF MADISON)

SS:

On this 23rd day of June, 1997, before me personally appeared Gary J. Goodman, to me personally known, who being by me duly sworn, says that he is a Vice-President of SOUTHERN ILLINOIS RAILCAR COMPANY, an Illinois corporation, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Deloris Benardin
Notary Public

[NOTARIAL SEAL]



My Commission expires: 05-05-98